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Sixth Implementing Directive to the Decree on Measures for Introducing
Practical Accounting Principles in People-Owned Enterprises Regulations
on the Administration of People-Owned Enterprises (VVB)

Gesetzblatt der Deutschen Demokratischen Republik,
No 62, p 372, German, legal gazette, 23 May 52

STAT

DIRECTIVE PERTAINING
SIXTH IMPLEMENTING ORDINANCE TO THE DECREE ON
MEASURES FOR THE INTRODUCTION OF THE PRINCIPLES
OF BUSINESS ACCOUNTING IN ENTERPRISES OF THE G.D.R.
PEOPLE'S-OWNED SECTOR OF THE ECONOMY -- PROVI-
SIONS REGARDING THE ADMINISTRATIONS OF PEOPLE'S-
OWNED ENTERPRISES (VVB)--

OF 16 MAY 1952

From: Gesetzblatt der Deutschen Demokratischen Republik (Legal
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Pursuant to Article 5 of the Decree of 20 March 1952 on Measures for the Introduction of the Principle of Business Accounting in Enterprises ~~of the~~ People's-Owned Sector of the Economy, *directives have been issued.* (Legal Gazette, page 225), the following ~~is determined:~~

ARTICLE 1

(1) The VVB [^{Vereinigung} ~~Vorbereitung~~ Volkseigener Betriebe -- ^{Federation} ~~Administration~~ of People's-Owned Enterprises] is subordinate to the ~~competent~~ Main Administration or Main Division of the ^{competent} ~~competent~~ Ministry or State Secretariat with its own field of competence. [~~Where such a state secretariat is an agency of less than ministerial rank, headed by a state secretary, an official one grade lower than the Minister.~~] As a detached-subordinate agency within the meaning of Article 3, Paragraph 5 of the Decree of 20 March 1952 on Measures for the Introduction of the Principle of Business Accounting in Enterprises of the People's-Owned Sector of the Economy (Legal Gazette, page 225), the VVB is not considered an

integral part of the Ministry or of the State Secretariat with its own field of competence.

(2) The VVB may, as may any other agency with its own budget or financial plan, sue or be sued and may also be established as legal custodian of the public property needed for the fulfillment of its administrative functions.

ARTICLE 2

(1) The VVB carries the title

Government of the German Democratic Republic
Ministry for ...

(or State Secretariat for ...)

~~Administration~~ ^{Federation} of People's-Owned Enterprises ...

The ^{responsible} ~~competent~~ Minister or State Secretary with his own field of competence may designate a different title ~~instead of~~ ^{than} "Administration of People's-Owned Enterprises". ~~This must, how-~~ ^{Federation} ~~ever, begin with the word "Administration"~~ ^{such as "Federation"} and must indicate clearly what type of enterprises are included.

(2) To the title shall be added the address of the VVB.

ARTICLE 3

(1) The ~~Administration~~ ^{Federation} of People's-Owned Enterprises

is required to execute the functions delegated to it by the ~~own-~~ ^{responsible} ~~competent~~ Main Administration or Main Division of the Ministry or State Secretariat and involving the guidance, supervision and control of the People's-Owned enterprises ^{under the supervision of} ~~assigned to~~ such administration.

This responsibility includes in particular the following tasks:

- (a) ^{Personnel training} to ~~instruct the (personnel of the)~~ enter-
prises in the field of production technology;
 - (b) ^{supervision} instruction and ~~control~~ in the ~~branches~~ develop-
ment and execution of plans and ~~of~~ investment;
 - (c) guidance, ~~other~~ ^{supervision} assistance and ~~control~~ in the
field of finances, particularly ~~by means of~~ rigorous financial
control, prompt ^{determination and understanding of} evaluation of the balances of ~~accounts~~ of the
various enterprises, ~~with the aid of technical and economic indices,~~
auditing of accounts and holding of control committee meetings;
 - (d) ^{supervision} instruction and ~~control~~ in the ~~area of~~ ^{management} ~~labor~~
^{manpower} ~~recruitment~~, protection of workers and industrial safety;
 - (e) distribution of responsibilities, instruction
and ^{supervision} ~~control~~ in the field of materials procurement and rationing;
 - (f) guidance and ^{supervision} ~~control~~ in the administration of
the general contract system;
 - (g) ^{guidance} ~~instruction~~ in personnel ^{problems} ~~questions~~ and ^{supervision} ~~control~~
to assure ^{adherence to} ~~observance of~~ personnel policy;
 - (h) guidance and ^{supervision} ~~control~~ in the ~~training of~~ appren-
tice training and ^{in the training of skilled} ~~qualification of specialist~~ workers;
 - (i) guidance and ^{supervision} ~~control~~ in legal ^{matters} ~~questions~~;
- (2) Additional duties may be assigned to the ^{Federation} ~~administration~~-
tion of People-Owned Enterprises in accordance with the require-
ments for guidance, supervision and control within the industrial
branch ^{concerned, for} ~~involved, either~~ ^{possession in} ~~general or for~~ specific cases.

ARTICLE 4

The administrative structure of the VVB is a logical

consequence of the functions ~~as~~ indicated in Article 3. Confirmation
of the ^{table of} organization and ~~position plan~~ ^{Federation} required for each ~~Administration~~
of People-Owned Enterprises ^{will be carried out as} ~~takes place under the procedures~~ pro-
vided in the Decree of 12 July 1951 Regarding [the use of] Position
Plans (Legal Gazette, page 689).

ARTICLE 5

The chief administrative official of the ~~Administration~~ ^{Federation}
of People-Owned Enterprises is appointed by the ~~appropriate~~ ^{responsible} Minis-
ter or State Secretary with his own field of competence. His title
is:

"Chief of ~~the~~ Administration ..."

Berlin, 16 May 1952

Ministry ~~of the Interior~~ ^{for Internal Affairs}

for the Minister: W a r n k e

State Secretary